Message Text

CONFIDENTIAL

PAGE 01 STATE 147879 ORIGIN EB-08

INFO OCT-01 AF-10 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 FRB-03 INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 L-03 H-01 PA-01 STR-07 /085 R

DRAFTED BY EB/IFD/OMA:BGCROWE APPROVED BY EB/IFD/OMA:JABWINDER AF/EPS:CCUNDIFF TREASURY:RBLAKE TREASURY:SCROSS

-----019449 110134Z /63

R 100226Z JUN 78 FM SECSTATE WASHDC TO AMEMBASSY KINSHASA INFO AMEMBASSY LONDON AMEMBASSY BRUSSELS AMEMBASSY PARIS AMEMBASSY BONN

CONFIDENTIAL STATE 147879

E.O. 11652: GDS

TAGS: EFIN, CG

SUBJECT: BISINGEMANA TALKS WITH U.S. EXECUTIVE DIRECTOR OF IMF

1. SUMMARY: AT THE REQUEST OF GOZ ENVOY BISINGEMANA A MEETING WAS SET UP JUNE 8 TO ALLOW HIM TO BRIEF THE U.S. EXECUTIVE DIRECTOR TO IMF. TREASURY AND STATE REPRESENTATIVES ALSO ATTENDED BRIEFING. BISINGEMANA'S PRIMARY OBJECTIVE WAS, TO STRESS THE IMPORTANCE THE GOZ NOW ATTACHES TO RESTORING ITS INTERNATIONAL CREDIBILITY, AND TO ASK U.S. EXECUTIVE DIRECTOR TO USE HIS INFLUENCE IN IMF TO CONVINCE CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 147879

OTHERS THAT A REAL CHANGE IN GOZ POLICY AND PRIORITIES IS UNDERWAY. HE EMPHASIZED THE IMPORTANCE OF ALL INTERNATIONAL ASSISTANCE FOR ZAIRE -- EVEN THAT DESIGNED FOR TEMPORARY EMERGENCY ASSISTANCE -- BEING IN THE CONTEXT OF AN IMF STABILIZATION PROGRAM. END SUMMARY.

2. BISINGEMANA REVIEWED THE CIRCUMSTANCES OF HIS APPOINT-

MENT BY PRESIDENT MOBUTU, NOTING THAT BEFORE HE ACCEPTED THE PRESIDENT'S COMMISSION TO RESTORE THE GOZ'S ECONOMIC CREDIBILITY HE HAD SET FOUR PRIOR CONDITIONS WHICH WERE ACCEPTED BY MOBUTU. THESE WERE: (A) THAT HE COULD BE CANDID IN DISCUSSING ALL PROBLEMS WITH THE GOZ'S FRIENDS,

- (B) THAT A SMALL TECHNICAL TEAM WOULD BE CREATED TO ASSIST HIM, (C) THAT HE WOULD HAVE READY ACCESS TO MOBUTU, AND (D) THAT THE CONCLUSIONS REACHED BY BISINGEMANA WOULD BE ADOPTED BY THE GOZ EVEN IF THEY WERE UNPOPULAR AND WOULD ENTAIL PUBLIC HARDSHIP.
- 3. BISINGIMANA THEN DESCRIBED SOME OF THE PROBLEMS FACED BY THE GOZ. HE EMPHASIZED THE NEEDED REFORM IN PUBLIC FINANCE MANAGEMENT WHICH HE DESCRIBED AS THE "WORST IN AFRICA". IN THIS CONTEXT, HE CITED THE NEED TO CURB FINANCING OF THE BUDGET BY THE CENTRAL BANK. HE STATED THAT WITH MOBUTU'S PERMISSION HE HAD ALREADY TALKED TO KEY MEMBERS OF THE MOBUTU FAMILY CONCERNING THEIR ABUSIVE PRACTICES REGARDING CUSTOM DUTIES AND TAXES, AND THAT IMPROVEMENTS IN THIS AREA WERE EXPECTED. OTHER AREAS REQUIRING HIS ATTENTION WOULD BE CONTROL IN THE NUMBER OF PUBLIC EMPLOYEES, A REDUCTION IN THE MILITARY FORCES ON THE PAYROLL, AND CONTROL OVER THE EXPENDITURES OF THE 50 TO 60 DIPLOMATIC MISSIONS THE GOZ HAS ABROAD. BISINGEMANA STATED THE PRESIDENTIAL BUDGET, WHICH NOW HAD NO LIMITATIONS, CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 147879

WOULD HAVE TARGETS WHICH COULD BE REVIEWED BY THE PRESIDENT ON A DAILY, WEEKLY AND MONTHLY BASIS.

- 4. ON BALANCE OF PAYMENTS, BISINGEMANA REPEATEDLY EMPHASIZED THE IMPORTANCE OF AN IMF PROGRAM. HE NOTED FRANKLY THAT THE INTERNATIONAL COMMUNITY DID NOT TRUST GOZ MANAGEMENT, AND STATED THAT ALL INTERNATIONAL ASSISTANCE -- EVEN THAT REQUIRED FOR TEMPORARY EMERGENCY NEEDS MUST BE IN THE FRAMEWORK OF THE FUNDAMENTAL PRINCIPLES OF AN OVERALL IMF ECONOMIC PROGRAM TO AVOID CONFUSION AND TO PROVIDE EVIDENCE OF THE GOZ'S SERIOUS INTENTIONS TO CHANGE ITS POLICIES AND PRIORITIES. REGARDING DEBT RESCHEDULING, BISINGEMANA STATED THAT THE GOZ WISHED A CONSOLIDATION PERIOD OF MORE THAN ONE YEAR BUT WAS WILLING TO HINGE ANY RESCHEDULING ON AN IMF PROGRAM.
- 5. BISINGEMANA REPEATEDLY STRESSED THAT A REAL CHANGE WAS UNDERWAY WITHIN THE GOZ, AND STATED HIS HOPE THAT THE USG WOULD USE ITS INFLUENCE IN THE IMF TO CONVINCE OTHERS THAT SUCH CHANGES AS DESCRIBED ABOVE WERE IMMINENT. THE U.S. EXECUTIVE DIRECTOR THANKED BISINGEMANA FOR HIS CANDID APPRAISAL OF THE PROBLEMS FACED BY ZAIRE, AND PROMISED TO

	Sheryl P.	Walter	Declassified/Released	US Department of State	EO Systematic Review	20 Mar 2014
CONTINUE FOLLOWING DEVELOPMENTS VERY CLOSELY. VANCE						
CONFIDENT	TAL					

NNN

Message Attributes

Automatic Decaptioning: X Capture Date: 01 jan 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: MEETING REPORTS, FINANCIAL REFORMS

Control Number: n/a Copy: SINGLE Draft Date: 10 jun 1978 Decaption Date: 01 jan 1960 Decaption Note: Disposition Action: RELEASED Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW

Disposition Date: 20 Mar 2014 Disposition Event: Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE147879
Document Source: CORE
Document Unique ID: 00
Destroy: RCCPO WE

Drafter: BGCROWE Enclosure: n/a Executive Order: GS

Errors: N/A **Expiration:**

Film Number: D780243-1031

Format: TEL From: STATE

Handling Restrictions: n/a

Image Path: ISecure: 1

Legacy Key: link1978/newtext/t19780672/aaaackjw.tel

Line Count: 117 Litigation Code IDs: Litigation Codes:

Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM

Message ID: b3a9bf8b-c288-dd11-92da-001cc4696bcc Office: ORIGIN EB

Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a Page Count: 3
Previous Channel Indicators: n/a

Previous Classification: CONFIDENTIAL Previous Handling Restrictions: n/a

Reference: n/a Retention: 0

Review Action: RELEASED, APPROVED Review Content Flags:

Review Date: 03 may 2005 Review Event: Review Exemptions: n/a **Review Media Identifier:**

Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

SAS ID: 2403837 Secure: OPEN Status: NATIVE

Subject: BISINGEMANA TALKS WITH U.S. EXECUTIVE DIRECTOR OF IMF

TAGS: EFIN, CG, IMF, (BISINGEMANA)

To: KINSHAŚA Type: TE

vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/b3a9bf8b-c288-dd11-92da-001cc4696bcc

Review Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014